



United States  
Department of  
Agriculture

Farmers  
Home  
Administration

Washington  
D.C.  
20250

FmHA AN No. 1812 (1945)

October 21, 1988

SUBJECT: Delay in Processing EM Loan Applications  
Until ASCS and/or FCIC Disaster Program  
Benefits Have Been Paid

TO: State Directors and District Directors

ATTN: Farmer Program Chiefs

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to clarify or redefine the meaning of "provided" as used in the text of FmHA Instruction 1945-D, section 1945.163 (a)(2)(v) and (ix) and 1945.163 (d) as related to financial assistance and compensation for disaster losses from FCIC and/or ASCS programs or any other source.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

Administratively, the word "provided" has been interpreted in the past to mean the EM loan applicant must have actually received such compensatory disaster payment(s) before FmHA can process the EM loan application.

From the date of this AN, the word "provided" as used in the above referenced instruction, means: all disaster related compensatory payments have been verified, in writing.

Until such time as Section 1945.163 of FmHA Instruction 1945-D is revised, FmHA field office personnel will process EM loan applications based on the new definition of the word "provided." Field offices will not process EM applications until written

EXPIRATION DATE: September 30, 1989


FILING INSTRUCTION:  
Preceding FmHA  
Instruction 1945-D



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Secretary of Agriculture, Washington, D.C. 20250

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verification is received from ASCS, FCIC or any other source of disaster compensation, stating the specific dollar amount(s) received or to be received by the applicant for each crop loss.

  
VANCE L. CLARK  
Administrator

Sent by electronic mail on October 25 at 8:58 by ASD.  
The State Director will immediately notify other personnel as appropriate.

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## Attachment

## EASTERN ZONE -

Delaware, Illinois, Indiana, Iowa, Kentucky,  
Maine, Massachusetts (Connecticut and Rhode  
Island), Michigan, Minnesota, Missouri, New  
Jersey, New York, Ohio, Pennsylvania,  
Vermont, (New Hampshire and Virgin Islands),  
Virginia, West Virginia, Wisconsin

Ms. M. K. Smith, Area Supervisor  
National Appeals Staff, FmHA  
3901 W 86th Street  
Suite 280  
Indianapolis, Indiana 46268-7310

Commercial	(317)	875-9681
Out of State	1-(800)	541-0457
Indiana	1-(800)	634-0724
Facsimile	(317)	875-9674

## SOUTHERN ZONE -

Alabama, Arkansas, Florida, Georgia,  
Louisiana, Mississippi, North Carolina,  
Oklahoma, Puerto Rico, South Carolina,  
Tennessee, Texas

Ms. Jenanne Breece  
Area Supervisor  
National Appeals Staff, FmHA  
7777 Walnut Grove Road, Box 24  
Memphis, Tennessee 38119

Commercial	(901)	577-7655
Out of State	1-(800)	522-5377
Tennessee	1-(800)	541-2904
Facsimile	(901)	577-7649
FTS		8-222-7655

## WESTERN ZONE -

Alaska, Arizona, California, Colorado,  
Hawaii, Idaho, Kansas, Montana, Nebraska,  
New Mexico, North Dakota, Oregon, South  
Dakota, Utah, (Nevada), Washington, Wyoming

Mr. Arthur Erik Hawkinson, Jr.  
Area Supervisor  
National Appeals Staff, FmHA  
2490 West 26th Avenue  
Suite 180-A  
Denver, Colorado 80211

Commercial	(303)	964-0193
Out of State	1-(800)	541-0483
Colorado	1-(800)	638-7390
Facsimile	(FTS)	8-564-0418
FTS		8-564-0193

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We recommend the regulations be revised ASAP reinstating the language in effect prior to August 22, 1988, with a sentence added at the end of the paragraph to read as follows:

"EM loan applications will not be processed until written verification is received from ASCS, FCIC or any other source of disaster compensation stating the specific dollar amount(s) received or to be received by the applicant."

In the interim until the regs can be revised, we suggest an AN be issued to clarify the existing regulatory language, directing that the word "provided " in the context of §1945.163 (a)(2)(v) and (ix) be interpreted as meaning "verified in writing of specific dollar amount(s) received or to be received."

Submitted by:

Morris Monesson  
Deputy Director  
Loan Making Division